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A Comparative Study Of Skill Gap Between Hazaribagh And Ramgarh District Of Jharkhand

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Abstract

This study examines the skill gap in the Hazaribagh and Ramgarh districts of Jharkhand, India, focusing on the discrepancy between workforce capabilities and industry demands. The research utilizes secondary data from sources such as the National Skill Development Corporation (NSDC) and Census 2011, to assess current and projected skill requirements across 24 high-priority sectors for the period of 2012-2022. The analysis reveals significant demographic and economic differences between the two districts, with Hazaribagh showing a larger population and workforce, as well as stronger growth across all sectors, particularly the tertiary sector. Despite these positive indicators, both districts face critical deficits in skilled and semi-skilled labor, with Ramgarh exhibiting a higher shortfall. Conversely, there is a surplus of minimally skilled workers in both districts, potentially leading to underemployment. The study highlights the urgent need for targeted skill development programs and economic diversification, particularly in Ramgarh, to align workforce capabilities with industry needs. The findings underscore the importance of addressing skill gaps to foster long-term economic growth and competitiveness in these regions.

Introduction

The term of "skill" refers to a set of abilities and competences required for efficient performance in various occupations and professions. It is distinguished by mastery, creativity, and the integration of cognitive and physical abilities. The following are key characteristics that characterize skill:

- Skill is derived from the term "skilled," indicating proficiency in task completion and the ability to perform complex behaviors smoothly (Magdalena et al., 2022).
- It includes various dimensions such as technical skills, communication abilities, and creativity, particularly in fields like engineering (Takeda, 1999).

The term "skill gap" refers to the difference in the abilities that businesses expect from their workforce and the skills that employees possess. This discrepancy is caused by a number of variables, including as shifting demographics, industry demands, and educational alignment. To effectively address skill gaps, it is imperative to comprehend these elements.

- **Demographic Changes:** A declining working population exacerbates skill shortages, making it challenging for industries to find qualified talent (Braun et al., 2024).
- **Mismatch of Skills:** Skill mismatches arise from a lack of alignment between educational outcomes and industry needs, particularly in sectors like digital marketing (
- **Environmental Influences:** Social, cultural, and economic conditions significantly impact skill gaps, especially in specific industries like digital marketing (Ghotbifar et al., 2017).

- **Organizational Practices:** Effective human resource management and collective bargaining can enhance the identification of skill gaps, influencing training expenditures and labor costs (McGuinness & Ortiz, 2016).

The labour market has undergone tremendous transformation due to the swift progress of technical developments and globalization. The skills necessary to succeed in today's world are always changing, which has left many people and organizations struggling with a growing skill gap. The abilities that a worker now possesses and the skills required to meet the demands of the job or sector are referred to as the "gap." One important method for determining these differences and opening the door to workable solutions is a skill gap study. Organizations can close the gap between their present competencies and their desired future states by conducting a skill gap analysis. This will increase overall competitiveness, productivity, and creativity. In the age category of 15 to 59 years, only 2.2% had formal occupational training, and 8.6% had no formal training, according to the 2011–12 NSSO study on the condition of education and vocational training. In order to meet the needs of the business sector and provide a respectable standard of living for the populace, it is essential that every relevant organization swiftly coordinate their efforts in the fields of skill development and entrepreneurship and establish an ecosystem that supports these fields in the nation.

To understand the sectoral and geographical spread of incremental skill requirements across 24 high priority sectors between 2012-17 and 2017-22. The Ministry of Skill Development and Entrepreneurship's National Skill Development Corporation (NSDC) carried out a research-based study of the industry from a skills perspective, assessing the demand for skills, highlighting important job roles, and mapping the supply-side infrastructure's availability through extensive primary interaction with key stakeholders, including the government, industry, training providers, and trainees. Based on these research, more than 109.7 million skilled workers are projected to be needed in these 24 sectors by 2022.

Hazaribagh district is located in the northern part of the state and is surrounded by districts of Gaya and Koderma in the north, Giridih and Bokaro in the east, Ramgarh in the south and Chatra in the west. It covers 430.2 thousand hectares, accounting for around 5.4% of Jharkhand's total geographical area. Administratively, the district is divided into two subdivisions and sixteen blocks. The district's administrative center is situated at Hazaribagh town. As of 2011 Census, the population of Hazaribagh was 17.34 lakh, with 15.88% living in urban areas which is less than the state average (295). It has a population density of 403 per square kilometer, lower than the state average of 414 (Census 2011). The district has slightly lower sex ratio than the state.

Ramgarh district was formed in 2007 by partitioning Hazaribagh district. Ramgarh district is located in the eastern part of the state and is surrounded by Bokaro district in the north, state of West Bengal in the east, Hazaribagh district in the west and Ranchi district in the south. It covers 138.9 thousand hectares, accounting for approximately 1.74% of Jharkhand's total geographical area. The district is administratively divided into one subdivision and four blocks. The district headquarter is in Ramgarh town. As of 2011 Census, Ramgarh has a population of 9.49 lakhs, with 44.13% living in urban areas (297), significantly more than the state average. The district has a population density of 684 per square kilometer, more than the state average of 414 (Census 2011).

Demographic Profile of Hazaribagh and Ramgarh District

Demography	Hazaribagh	Ramgarh	Jharkhand
Population (2011)	17,34,005	9,49,159	3,29,66,238
Population density per sq. km (2011)	403	684	414
Sex Ratio (2011)	946	921	947
Percentage of Urban Population (2011)	15.88%	44.13%	24%

Source: (Census 2011)

Literature Reviews

Takeda (1999) underscores the importance of a well-rounded engineering education that goes beyond technical knowledge to include creativity, practical application, communication, and technical skills. The proposed educational framework and the consideration of cultural context provide a comprehensive approach to developing these essential skills, ensuring that engineering students are well-prepared to meet the challenges of their field.

Through extensive primary interaction with key stakeholders, including industry, training providers, trainees, sector skill councils, and government, the National Skill Development Corporation (NSDC), under the Ministry of Skill Development and Entrepreneurship, conducted a research base study of the sector from a skills perspective. The study assessed the demand for skills, highlighted key job roles, and mapped the availability of supply side infrastructure. These studies' findings indicate that by 2022, these 24 sectors would need an additional 109.7 million qualified workers.

(Ghotbifar et al., 2017) in their paper mentioned that one of the main reasons for the skill gap is mismatch of skills. Particularly in fields like digital marketing, skill mismatches develop when academic results do not correspond with business demands.

Objective

- 1.To identify the present and prospect (2012 to 2022) skills and manpower age group between 15-59 requirements by industry.
- 2.To estimate the skill gap in Hazaribagh and Ramgarh District of Jharkhand.

Methodology

This study is based on secondary data which are collected from National Skill Development Cooperation (NSDC), District Skill Development Plan, Census 2011. As per NSDC, Incremental demand is divided into the following three skill levels based on primary, secondary sector and tertiary sector

- **Skilled:** Skilled means Graduates and above in any discipline
- **Semi-Skilled:** Semi skilled means ITI/ ITCs/ Trained
- **Minimally Skilled:** Minimally skilled means Metric and below

Sector level incremental manpower demand: Sector level incremental manpower demand is estimated as a difference of sector level employment in 2011 and 2022.

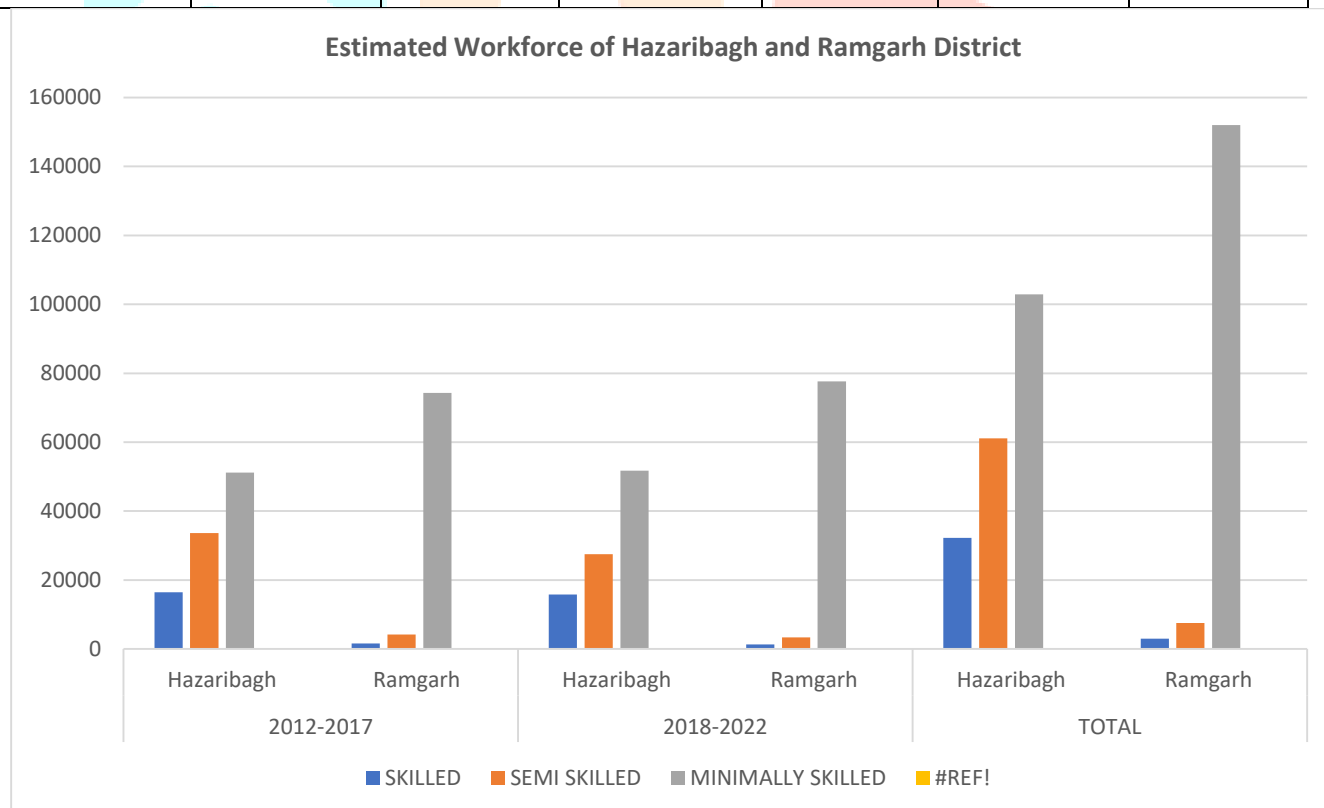
Incremental manpower supply: Incremental manpower supply is estimated as a difference of available labour force in 2011 and 2022.

Estimated Workforce

Table 1 shows that the population of Hazaribagh district is more than the Ramgarh District. The incremental manpower supply will be 2.66 lakh in Hazaribagh district which is more than that of in Ramgarh district (1.62 lakh). The work age population is more in Hazaribagh District than the Ramgarh. Overall, we can say that the no. of people in all the parameters is more in Hazaribagh than the Ramgarh.

Table 1 Estimated Workforce of Hazaribagh and Ramgarh District

Parameters	2011		2017		2022	
	Hazaribagh	Ramgarh	Hazaribagh	Ramgarh	Hazaribagh	Ramgarh
Population	1734005	949159	1989552	1107795	2231050	1260066
Work age population	1063502	582139	1268256	706173	1476051	833653
Available Labour Force	686977	376037	819239	456157	1476051	538504
Incremental man power supply (2011-2022)					266488	162467



Source : Compile Secondary data of NSDC

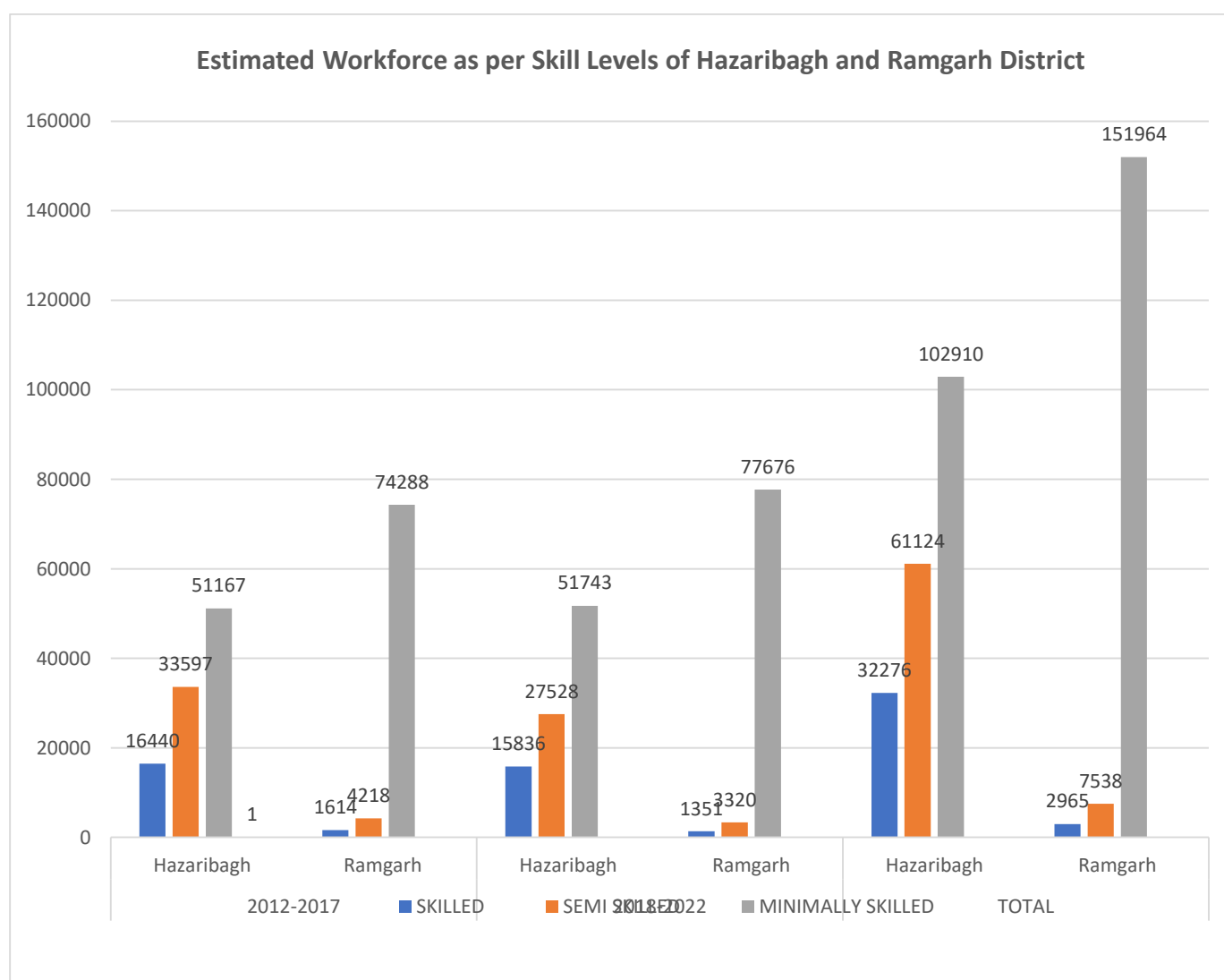
Estimated Workforce as per Skill Levels

Incremental manpower supply can be further classified into skilled, semiskilled and minimally skilled. Table 2 shows estimated work force according to skill. Skill and semi- skilled estimated workforce is more in Hazaribagh District than the Ramgarh District.

Table 2 : Estimated Workforce as per Skill Levels of Hazaribagh and Ramgarh District

Categories	2012-17		2018-22		Total	
	Hazaribagh	Ramgarh	Hazaribagh	Ramgarh	Hazaribagh	Ramgarh
Skilled	16440	1614	15836	1351	32276	2965
Semi -Skilled	33597	4218	27528	3320	61124	7538
Minimally Skilled	51167	74288	51743	77676	102910	151964

Source: Compile Secondary data of NSDC



Source: Compile Secondary data of NSDC

Incremental Manpower Demand

Table 3 shows incremental manpower demand in organized three sector i.e. Primary sector secondary sector and Tertiary sector. Ramgarh has seen growth in the primary and secondary sectors but saw a decline in the tertiary sector, while Hazaribagh has witnessed strong growth across all sectors, notably in the primary and

secondary sectors, resulting in higher overall incremental demand. While noteworthy overall, the growth is not as great as it was in Hazaribagh. Summerising, Ramgarh likewise exhibits encouraging tendencies but with inconsistent outcomes in the tertiary sector, whereas Hazaribagh is developing as a stronger growth area in the organized sector with bigger increases in demand and sectoral growth.

Table 3: Incremental Manpower Demand

Organized sector	2012-2017						2018-2022					
	HAZARIBAGH			RAMGARH			HAZARIBAGH			RAMGARH		
	S	SS	MS	S	SS	MS	S	SS	MS	S	SS	MS
Primary Sector	177	370	1500	91	203	821	120	269	1094	65	147	599
Secondary Sector	4740	12016	24054	2595	6578	13167	4217	10692	21245	2308	5852	11628
Tertiary Sector	14407	15120	8619	7885	8276	4718	13029	11368	7765	7133	6223	4251
Total	19398	27607	34286	10618	15112	18768	17429	22403	30186	9540	12253	16523
Total Incremental Demand	District Hazaribagh 151310 Ramgarh 82824											

(Source: Compile Secondary data of NSDC)

S- Skilled

SS- Semi Skilled

MS- Minimally Skilled

Estimated Demand Supply Skill Gap

In table 4, Both Hazaribagh and Ramgarh face significant deficits, with Ramgarh having a higher deficit (17,193) compared to Hazaribagh (12,590). This indicates a critical need for more skilled training programs and initiatives in both regions. Similar to skilled workers, there is a notable deficit in semi-skilled workers in the both regions. Hazaribagh has a higher deficit (23,261) compared to Ramgarh (19,837), suggesting a need for enhanced vocational training and education.

Interestingly, both regions show a surplus in minimally skilled workers. Hazaribagh has a surplus of 51,138, while Ramgarh has a surplus of 61,995. This surplus indicates that there might be an oversupply of minimally skilled workers which could lead to underemployment or unemployment in this category.

Table 4: Estimated Demand Supply Skill Gap

Categories	Demand for Human Resource 2012-22		Supply for Human Resources 2012-22		Deficit for Human Resources	
	Hazaribagh	Ramgarh	Hazaribagh	Ramgarh	Hazaribagh	Ramgarh
Skilled	36827	20158	24237	2965	12590	17193
Semi-Skilled	50011	27375	26750	7538	23261	19837
Minimally skilled	164364	899699	215502	151964	-51138	-61995

(Source: Compile Secondary data of NSDC)

Conclusion

Population and Workforce Distribution: Hazaribagh has a larger population and workforce than Ramgarh, indicating a higher overall demand for employment opportunities and skill development in Hazaribagh.

Incremental Manpower Supply: The Projected incremental manpower supply in Hazaribagh is higher than in Ramgarh, implying that more people will join the labor force in Hazaribagh over the next decade.

Skill Level Distribution: Hazaribagh is expected to produce a larger amount of trained and semi-skilled workers than Ramgarh, which is beneficial for sectors that require higher degrees of knowledge. However, both districts have a considerable surplus of minimally skilled people, indicating a potential mismatch between the types of occupations available and the workforce's skill levels.

Sectoral Growth and Demand:

Both districts are experiencing growth in the primary and secondary sectors, but Hazaribagh is witnessing stronger growth across all sectors, including the tertiary sector. This could make Hazaribagh a more attractive location for diverse industries, driving further demand for skilled and semi-skilled workers.

Growth of Ramgarh is also notable, particularly in the primary and secondary sectors, but it lags behind Hazaribagh in the tertiary sector, which could limit its potential for certain types of economic development.

Skill Gap Analysis:

Both districts have a considerable shortage of skilled and semi-skilled labor, with Ramgarh outpacing Hazaribagh. This highlights the urgent need for focused skill development programs, particularly in Ramgarh, to satisfy industrial demands.

If the surplus of minimally skilled people in both districts is not handled by establishing additional entry-level opportunities or upskilling these workers, it may result in underemployment or unemployment.

Recommendations:

Hazaribagh: the district has a solid basis for growth, but efforts should be directed at addressing skilled and semi-skilled workforce shortages to sustain long-term economic development. Upskilling programs, particularly those in technical and vocational fields, could help close the gap.

Ramgarh: The district faces a more significant issue in balancing its manpower with industry demand. Investment in education and training efforts, especially for semi-skilled and skilled workers, is critical. Furthermore, efforts should be made to diversify the economy, particularly in the tertiary sector, in order to provide more chances for the present work force.

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